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The American Observer

A free, virtuous, and enlightened people must know well the great principles and causes on which their happiness depends.—James Monroe

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DECEMBER 10, 1945

Soviet Power Felt In Eastern Europe

Political Problems Only Part of Burden Resting on Newly Elected Governments

RECONSTRUCTION NEEDS ARE GREAT

Widespread Education, Improved Agricultural Methods, Foreign Trade, Industry Needed

All over eastern Europe, new governments are now launching into the difficult tasks of economic and political reconstruction. Some of these governments came to power through free elections; others through elections the freedom of which is open to question. Still others are coalitions drawn from the leading political groups without recourse to the polls.

From Poland to Yugoslavia, however, there is a similarity in the composition and programs of the fledgling regimes. All are coalitions in which radical and moderate elements predominate. All are dedicated to the idea of economic and social reforms, some advocating changes in the systems which prevailed before the war, some wishing only minor changes.

In mapping their future economic, political, and foreign policies, all have had to consider the relations between the victorious big powers in the late war. Most of them have been obliged to take into account the increased power of the Soviet Union and to shape their policies accordingly. None, however, proposes to pattern its future economic or political development strictly along Soviet lines.

Troubled Area

It is far more difficult to report upon conditions in the countries of eastern Europe than it is in western Europe (see THE AMERICAN OBSERVER, December 3). There is more censorship, more confusion, and there are greater conflicts of interest among the major powers—the United States, Great Britain, and the Soviet Union. Russia is accused of trying to establish communist governments and to spread her control throughout this area. She, in turn, claims that the United States and Britain, particularly the latter, are supporting groups within these countries that are determined to block social and economic reforms and that will support the western powers.

When we refer to the nations of eastern Europe we have in mind those countries which lie between Germany and Russia and which extend southward to Turkey. Included are Poland, Czechoslovakia, Austria and Hungary, and the five countries which lie in the Balkan Peninsula—Romania, Yugoslavia, Bulgaria, Greece, and Albania.

The nine countries have a combined area a little smaller than that of Texas, Arizona, and New Mexico. Their total population is in the neighborhood of 100,000,000.

(Concluded on page 3)



Trying to make both eat from the same dish

Ruling The Spirit

By Walter E. Myer

If someone were to ask you whether you are sane or insane you would answer that you are sane, and your answer would be correct, for of course you are. But suppose the question were asked a little differently. Suppose you were asked whether you are sane all the time. Here again, you would be inclined to say that you are.

But wait a minute. Examine your case more carefully. Are there moments when the controls which we associate with sanity are thrown aside; moments when you act like a person afflicted with insanity? For example, do you sometimes become very angry and "lose control of yourself"? Do you at such times do and say things that you would not think of saying and doing under ordinary conditions?

When one is very angry, when he flies into a rage, his entire body is affected. His face reddens. He trembles from head to foot. He has lost control of his bodily reactions. His mind as well as his body is out of balance. He says foolish or even violent things. Reason abdicates and he acts in response to his emotions. He is no longer the reasonable, thoughtful person that he ordinarily is.

Fortunately, in the case of most of us, these fits of anger are shortlived. We soon regain balance and we regret our angry conduct. But suppose we did not recover quickly. Suppose we should be in a state of anger most of the time. Then people would say we were insane; that we were maniacs. And they would be right. Speaking in practical rather than medical terms, we may say that the difference between one who gives way now and then to fits of anger, and the insane person, is that with the one insanity is occasional and temporary, while with the other it is habitual.

We all want to be healthy in mind as well as body. We want to be balanced, self-controlled and sane, not most of the time but all the time. And we can be. The normal individual can learn by practice to control his emotions and to keep reason in command. Everyone feels the emotion of indignation at times, but the masterful person holds it in check. He does not make his emotions public. He never acts like a spoiled child or a maniac.

Such a person is universally respected. He is in command of his own spirit, and "He that is slow to anger is better than the mighty; and he that ruleth his spirit than he that taketh a city."

Army-Navy Merger Debated in Congress

Single Department of National Defense Supported by Army, Opposed by Navy

SENATE COMMITTEE CALLS EXPERTS

Army, Navy, Air Forces Would Become Co-equal Branches Under Central Control

The proposed merger of the War and Navy Departments into a single "Department of National Defense" is one of the major issues now confronting Congress. The Senate Military Affairs Committee has heard the opinions of the nation's top-ranking military leaders on the subject. President Truman has indicated his support of a unification plan and is expected to make recommendations in an early message to Congress.

In the main, the War Department and the Army Air Forces (at present under the War Department but with a considerable degree of autonomy) are in favor of a plan to bring all the armed forces under a single department while the Navy believes that we should retain the present plan of separation, with certain modifications. It will be the responsibility of Congress to weigh the arguments of both sides and to make a decision.

Present System

Under the present system, the Army, including the Air Forces, is under the control of the secretary of war. The Navy comes under the jurisdiction of the secretary of the navy. Both men are directly responsible to the President of the United States who, under the Constitution, is commander-in-chief of the Army and Navy. The secretaries of war and navy are always civilians. They are members of the President's cabinet.

All the activities of the Army are governed by the War Department. There are separate branches of the Department dealing with the Army's Air Forces, Service Forces, and Ground Forces. Both civilians and high-ranking officers hold key positions under the secretary.

The Navy Department is similarly responsible for the plans and activities of the Navy. It also has charge of the United States Marine Corps. In wartime it takes over the Coast Guard which in peacetime is under the Treasury Department in order to help the Treasury guard against the smuggling of goods into the country.

There is a certain amount of coordination between the Army and Navy even in peacetime (especially in working out plans for the defense of the United States). At the same time, the two branches go their separate ways in many respects. Each appears before Congress to request funds for operations. Each works out its own

(Concluded on page 2)

Should the Army and Navy Be Merged?

(Concluded from page 1)

programs of research. Each maintains its own hospitals and purchases its supplies independently of the other.

During the war, the Army and Navy worked out plans of close coordination in planning the strategy to defeat the enemy. The Joint Chiefs of Staff was organized, made up of Admiral William D. Leahy, chief of staff to the President; General George C. Marshall, Army chief of staff; Admiral Ernest J. King, chief of naval operations; and General Henry H. Arnold, commander of the Army Air Forces. This group was responsible for working out our own plans and also for fitting these plans with the overall strategy of the United Nations.

On the fighting fronts, there was a certain amount of unification of our armed forces. For example, General Eisenhower was made supreme commander of all American forces in the European theater of operations—land, sea, and air. He was also placed in charge of the British and other Allied forces who participated in the invasion of Europe.

This plan of coordination for planning and carrying out military operations, through the Joint Chiefs of Staff and supreme commanders in the various theaters of operation, was regarded as a temporary device, to continue only for the duration of the emergency. Unless Congress decides upon a permanent plan of unification,

forces. He would be a civilian and a member of the President's cabinet. He would be assisted by an undersecretary and several assistant secretaries—all civilians. One of the assistant secretaries would be in charge of scientific research, another of all purchases and industrial mobilization plans, and another would handle relations with Congress and with the public.

On the strictly military side of the department, the top-ranking figure would be the chief of staff of the armed forces. This position might be held by either a general or an admiral, just as some of the supreme commanders at the fighting fronts have been Army men and some Navy. This would be the highest ranking military office in the country.

In addition, there would be an overall planning board to make recommendations to the President and the secretary of the armed forces on matters of strategy and military policy. Known as the U. S. Chiefs of Staff, this group would include the President's personal chief of staff, the chief of staff of the armed forces, and the chiefs of staff of the Army and the Air Forces, and the chief of naval operations. Its organization and functions would closely resemble those of the Joint Chiefs of Staff which has operated during the war, except that it would be a five-man board as a

planning and administration. For example, all scientific research activities would come under a single branch of the department. All purchases would be made through a single channel. All intelligence work would be handled by one agency.

Those who support the idea of merging all the armed forces into a single Department of National Defense believe that unification will lead to greater efficiency in planning and executing a defense program for the nation. They argue that in the past lack of cooperation between the Army and Navy has been notorious and has cost us dearly in money and inefficiency. They cite Pearl Harbor as an example of the price the nation must pay for lack of coordinated planning of defense.

To bolster their case, those who favor a change in the present set-up point to the excellent results which have been obtained during the war. Through the Joint Chiefs of Staff and the appointment of supreme commanders for the various fighting fronts, a large degree of unification was actually worked out and put into operation. We cannot afford now to turn our backs on this valuable experience and go back to the inefficient organization of the past. In another war, it is argued, we will not have the time to work out the coordination between all branches of the armed forces without

In the matter of scientific research alone, supporters contend, the merger would result in great savings. While the Army is chiefly interested in the development and improvement of land weapons, the Navy in its specialized requirements, and the Air Forces in the most advanced planes and aerial weapons, there are many fields of scientific research, such as radar, bombs, shells, and big guns, which apply to all three branches.

Moreover, the argument continues, a centralized research and procurement service would enable the Department of National Defense to effect a standardization of many weapons and other articles of military use. Needless duplication and waste would be eliminated, and a truly effective program of industrial mobilization could be worked out.

The principal opposition to the proposals now under consideration comes from the Navy Department and from many members of Congress. Here are some of the arguments advanced by those who oppose any plan to unite the armed forces.

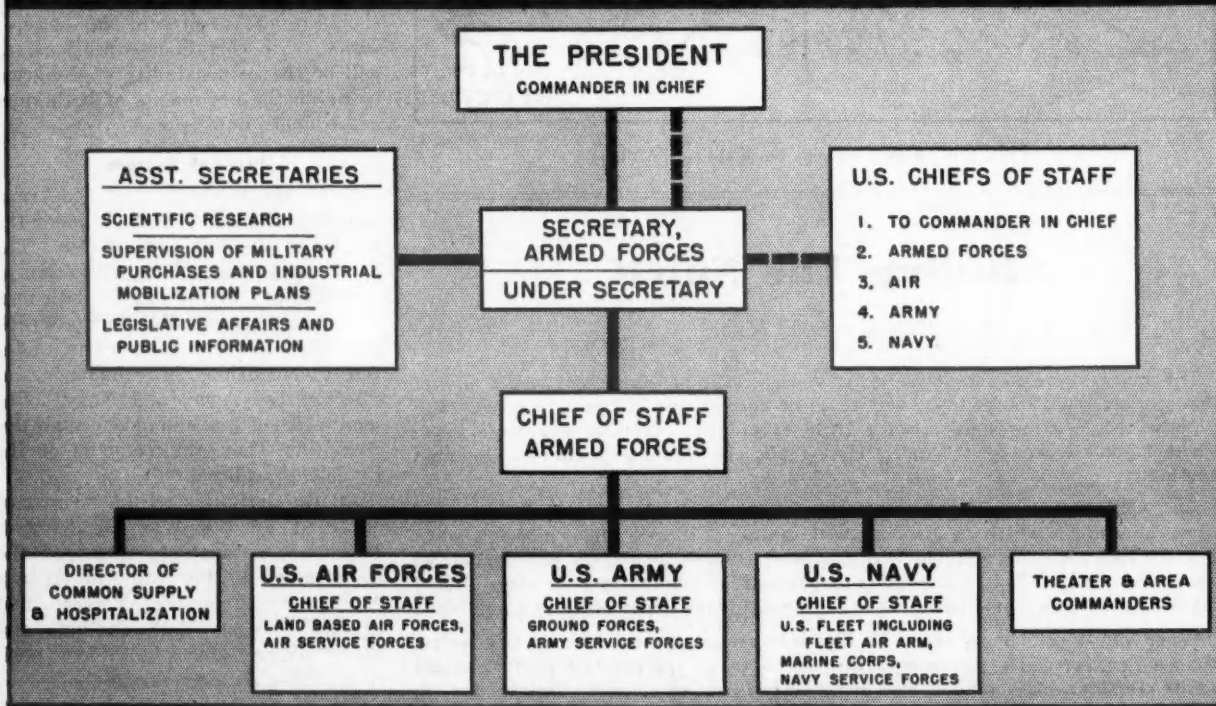
The Navy is by no means opposed to any changes in the prewar set-up. It has in fact made several recommendations for improvements. It believes that the Joint Chiefs of Staff which worked so effectively during the war should be retained. There should be a permanent organization to plan for the mobilization of our material resources, technical skills, and productive capacity in the event of war. There should be a centralized intelligence service. There should be greater coordination in purchasing.

But all these improvements can be made without destroying the independence of the various branches of the service. Centralization does not always lead to efficiency. The problems of national defense are so great, the needs of the various services so vast, that reorganization along the lines proposed might lead to red tape and general confusion. The responsibilities are too great to be placed upon the shoulders of a single man—the secretary of national defense. Nor would economy necessarily result. The very size of the proposed department would entail enormous expenditures for maintenance and administration alone.

Navy proponents fear that the merger plan, if carried out, would subordinate the needs of the Navy to those of the Army. Inasmuch as the Army is always larger in numbers of men, there is real danger that the proposed Department of National Defense would be dominated by Army men who held key positions. In such a case, the needs of the Navy would be neglected and a well-rounded-out defense program would be impossible of achievement. Whatever rivalry has existed in the past between the Army and the Navy might merely be intensified by unification, since each branch would be attempting to strengthen its own position within a single department. The present arrangement at least gives Congress the opportunity to examine objectively the programs and requests of each department.

The opposing camps will continue to press their cases until Congress makes the final decision on unification plans.

ORGANIZATION OF ARMED FORCES AS PROPOSED BY WAR DEPARTMENT



the armed forces will revert to their peacetime organization of separate and independent departments.

The merger plans which Congress is now considering differ in details, but the general idea behind them all is similar. The President, of course, would remain commander in chief of the Army and Navy, as at present. But instead of two independent Departments of War and Navy, there would be created a single department, probably called the Department of National Defense or the Department of National Security.

At the head of this department would be a secretary of national defense, or secretary of the armed

result of the addition of the chief of staff of the armed forces.

Within the Department of National Defense there would be separate branches for the Army, the Navy, and the land-based Air Forces. (The Navy would retain its carrier-based air arm.) Thus the separation of the Air Forces from the Army, which was carried to great lengths during the late war, would be completed. The Army, the Navy, and the Air Forces would be on the same footing, as co-equal branches of our armed forces.

In addition to the creation of an Air Force independent of the Army, the big change in the proposed reorganization would consist of unified

which we cannot hope to defend ourselves.

Another argument of those who favor a change is that it would result in greater efficiency and lower costs. It is sheer waste and extravagance for the Army and the Navy to follow independent courses in so many instances. While there are many weapons and other items which are used exclusively by one branch, others are used in common by the Army, the Navy, and the Air Forces. It would be far more efficient, it is argued, to have purchases of these items made by a single agency, rather than by separate departments which frequently compete with each other.



Agriculture throughout most of eastern Europe is still primitive

THREE LIONS

Problems Facing Eastern European Nations

(Concluded from page 1)

hood of 110,000,000—only 30,000,000 less than that of the entire United States.

Each of these countries presents peculiar problems which are discussed elsewhere in this paper (pages 6 and 7). Here we shall undertake to give a general survey of the region as a whole and some of the more important problems with which the governments of eastern Europe must deal:

Education. Compared with the United States and other advanced countries, educational standards are extremely low. Despite the fact that a number of these lands have long been renowned for their universities, their art, music, and cultural achievements, the masses have been afforded relatively few educational opportunities. There are exceptions, of course, such as Czechoslovakia and Austria and Hungary.

Since the last war, nearly all the countries of eastern Europe have attempted to improve their educational standards. Compulsory education has been inaugurated in most of them, but, unfortunately, it has not always been effectively carried out. Moreover, it applies only to the elementary grades. But illiteracy has been greatly reduced among the younger people, although it remains high among the adult populations.

Because of the relatively low educational standards, it has been impossible in the past to establish true democracy in most of these countries. Small groups of the upper classes have been able to run their nation's political affairs about as they pleased. Most of the governments have been monarchies or dictatorships, controlled largely by powerful landowners and industrialists. Of course, Czechoslovakia offers a conspicuous exception, having developed one of the truest democracies before the war. It is generally recognized, however, that for the region as a whole one of the greatest

needs will be improved educational opportunities for the masses of people.

Land ownership. While certain of these countries succeeded after the First World War in distributing land among the farmers, far too much of the good farming areas remained in the hands of a relatively few people. In Hungary, which is an extreme case, 1,100 families owned one-third of the land of the entire country. In one instance, 36 individual Hungarians owned over a million acres of land and the peasants settled on their farms—1,200,000 in number—owned but 950,000. Even in nations where the land was more evenly divided, the majority of families had such small plots that they could not possibly make a decent living.

Furthermore, too much of the farming in this region is still carried on by primitive tools and methods. There has been little modern agricultural machinery in use and the people, despite their back-breaking efforts, have not been able to produce as much as they would with modern equipment and methods. Even with improved agricultural methods, it is doubtful whether a satisfactory solution could be worked out because there are far more farm workers than the land will support.

But it is generally agreed that a wider distribution of land and the use of modern machinery would partially solve the problem. There is also wide support for cooperative farming, whereby farmers buy their seed and equipment and market their produce on a cooperative basis.

Lack of industry. Ninety-five per cent of every hundred people in the Balkan nations till the soil for their livelihood, and the majority of Poles and Hungarians do likewise. Only Czechoslovakia and Austria have important industries. It is generally recognized that industrialization of these countries must be undertaken if

living standards are to be raised to a decent level. No matter how intensively or efficiently the soil is cultivated, the present populations of eastern European countries cannot be supported by agriculture alone.

Foreign trade. One of the principal problems confronting the eastern European countries in the period between the two world wars was that of exchanging goods with one another and with other nations. The settlement after World War I revamped the boundaries in eastern Europe in such a way that many new states were created. While these boundary lines may have been more consistent with the political aspirations of the people for independence, they nevertheless took little account of the economic problems.

Each of the countries erected high tariff barriers against the goods of others in the hope of making itself more independent economically. The net result was economic anarchy. Goods could not be exchanged readily across national frontiers. The industrial nations, such as Czechoslovakia and Austria, could not sell their industrial products to the other nations in the area and the agricultural nations were unable to dispose of their farm products.

It was largely in recognition of this economic problem that several attempts were made to form federations among the various countries. Leaders in the Balkan states attempted to work out some arrangement whereby the trade barriers could be broken down and a freer exchange of goods made possible. But nothing was accomplished up to the time of World War II.

The foreign trade problem has been complicated by the upheaval of the war. Germany, which in the prewar years provided a market for the goods of these countries, has been lost—at least for a good many years. New outlets

must be found. Will the countries of eastern Europe now turn to Russia as a market? If so, will they be brought more directly under Russian influence than they are today? These are problems which the leaders of the region must face squarely.

Discontented minorities. Most of the countries of this region have been plagued for centuries by conflicts among the various racial and national groups. Nowhere on earth is there a greater mixture of peoples. Practically every one of the countries has minority groups which have been a constant source of friction and conflict.

No matter how the map of Europe is finally redrawn, there is no way that all the racial and national groups can be brought together within the boundaries of individual countries. After the First World War, the attempt was made so to draw the boundaries of eastern Europe as to create as few minority problems as possible. The attempt proved unsuccessful, and the minority problem loomed large throughout the years between wars. Whether this problem can be solved by mass shiftings of populations or by other means remains to be seen.

Political relations. The future peace of the world may hinge upon the ability of the great powers to work out a satisfactory agreement about political relations with the countries of eastern Europe. One of the greatest sources of ill will between the Soviet Union, on the one hand, and the United States and Britain, on the other, is eastern Europe. The Anglo-Saxon powers fear that Russia is seeking to extend her control over all of eastern Europe by dominating their governments and dictating their policies. A successful solution to this problem is perhaps the greatest immediate need if harmonious relations are to be maintained among the wartime Allies.

The Story of the Week

U. S. Policy in China

American policy in China, which has been a matter of public discussion and controversy for many months, has reached an explosive stage with the resignation of American Ambassador Patrick J. Hurley.

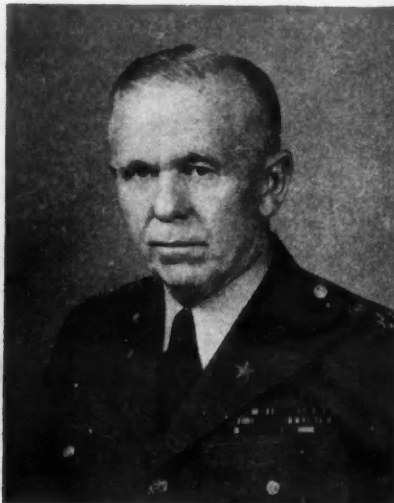
Making it clear that he had no quarrel with President Truman or with Secretary of State Byrnes, General Hurley denounced minor officials in the State Department who, he claimed, sabotaged his work in China. According to Hurley, these men were more friendly to the Communists than they were to the Nationalist government of China. They facilitated the "leaking" of information harmful to the settled policies of the government. He is also opposed to the State Department's "covering itself with a veil of secrecy that prevents the public from getting at the facts."

Secretary Byrnes has announced that the officials were recalled from China when General Hurley objected to them, and were given other assignments; that the State Department was prepared to give General Hurley support in his program upon his return to China. Secretary Byrnes has said that our policy is to get the Japanese out of China, and to use our good offices in bringing the Nationalists and the Communists together.

General George C. Marshall, retiring Army chief of staff, is the President's new special envoy to China to



Patrick J. Hurley



George C. Marshall

tion Service, through arrangements made by Secretary of Labor Lewis Schwollenbach. General Motors has announced that it will also send a delegation to Washington to discuss the issue with Labor Department officials.

The strike is the first step in the big offensive of the UAW campaign to force the entire motor industry to maintain take-home pay for the shorter peacetime work week at the same levels as in wartime. The UAW has asked for a 30-per-cent pay increase for a 40-hour week, with no increase in the retail prices of automobiles. General Motors has counter-offered a 10-per-cent pay increase with a 45-hour work week.

The heart of the problem is the UAW's insistence that wages, profits, and prices are all related, and that industry's prices and profits must be considered in fixing wages. UAW believes that General Motors can continue to make a fair profit, maintain the present retail prices on automobiles, and grant the demanded raise. Labor does not want retail prices to rise because that would cause an inflationary spiral which would defeat their pay raise. It might also reduce the number of automobiles bought, thus jeopardizing full employment.

The UAW, therefore, has demanded access to the corporation's books which show the industry's profits. Reuther has said that if it can be proved that the company cannot afford the 30-per-cent wage increase, the union will be willing to accept a smaller increase. President Charles E. Wilson of General Motors has refused labor's request for him to bring the books to a meeting with labor representatives and a government conciliator. Wilson's attitude is that the corporation's records are private property. He is unwilling to open the records to others because, he says, the corporation would lose its status as an independent, private business if others helped determine company policies.

In the meantime, there are indications in Washington that organized labor will demand that a government agency be given power to inspect company books to help determine wage levels.

Teeth for UNO

While the United States Senate on July 28 overwhelmingly ratified the San Francisco charter, making the United States a member of the United

Nations Organization, other congressional action is necessary to make American participation effective. Most important is the United Nations Participation Act.

Under this act, the President would receive broad powers to apply economic sanctions immediately against any nation which the Security Council of the United Nations deemed to be endangering world peace. He would also have the power, without waiting for Congress to act, to make available an American military force to the United Nations Security Council, on a call to stamp out an act of aggression. The American force's size, type, degree of readiness, and general location would have to receive the prior approval of Congress.

This implementing legislation is supported by both Democratic Senator Tom Connally and Republican Senator Arthur H. Vandenberg, foreign affairs specialists. Some congressmen, while they voted for American membership in the UNO, hope to render American participation in that organization ineffective by disapproving, or limiting the scope of any of the necessary additional legislation.

Senator Connally has fought against any changes that would require the President to consult Congress before acting on a decision of the Security Council. "By taking prompt action in the application of diplomatic and

economic sanctions," Senator Connally declared, "we may be able to frighten lawbreakers into the paths of peace and thus avoid more drastic enforcement measures calling for the use of armed forces."

Iranian Crisis Continues

Russia has notified Iran that Russian troops will not be withdrawn from northern Iran, where rebel Azerbaijanians are in revolt against the central government. Any attempt to send in Iranian troops to quell the rebellion will result in bloodshed, Russia contends. Earlier the United States had suggested that American, British, and Russian troops be withdrawn from Iran by January 1, 1946, so that the Iranian government can exercise its full authority in handling the insurrection.

The Allied troops, who moved into Iran in 1941 to protect the "bridge to victory" route of lend-lease supplies to Russia, were originally scheduled to leave on March 2. Russian troops, occupying the disaffected province, have turned back Iranian troops sent to the area. The rebels, led by members of the Communist Tudeh party, have demanded autonomy, or semi-independence, for Azerbaijan province, but have declared that they wish to remain within the state of Iran. Meanwhile, the rebel troops have been attempting to reach Teheran, national capital, which has hurriedly strengthened its defenses. Their progress has been slowed by attacks from tribesmen loyal to the national government.

Both Russia and Great Britain are interested in Iran because of its rich oil fields as well as its strategic location.

Palestine Turmoil

Serious clashes are continuing between Jews and the 10,000 British troops and police stationed in Palestine. The Jews are demanding that Palestine be opened immediately to the thousands of displaced Jews of Europe who face death this winter from cold and starvation. They are dissatisfied with American and British announcements to delay a decision on the problem while a joint inquiry



JENSEN IN CHICAGO DAILY NEWS
"I'm going home to Mother if she has a home"

succeed Ambassador Hurley. The importance of the Chinese problem is indicated by the choice of General Marshall for the job, and by his leaving immediately for his new post.

As a result of General Hurley's resignation, Congress has demanded a complete investigation of American foreign policy and diplomatic personnel.

General Motors Strike

No settlement has yet been reached between General Motors Corporation and the striking United Automobile Workers CIO, but a series of conferences are being held with the aid of the government to get the two parties to talk over their differences. President Truman has urged that negotiations to seek a way out of the strike be continued.

Vice President Walter P. Reuther and other UAW leaders have been going over the controversy with Edgar L. Warren, chief of the U. S. Concilia-



BROOKS PHOTO FROM WAR FINANCE DIVISION
SAVINGS PLAN CONTINUED. With war bonds and stamps continuing on sale under the name of U. S. savings bonds and stamps, many schools are continuing the programs they launched during the war. At Bacon Academy, Colchester, Connecticut, the student council plans the savings program for the school.

is being made. An immediate cause of the outbreak of violence was the British search of Jewish settlements for 20 Jewish immigrants who recently entered Palestine illegally. In reprisal for the arrest of some of these immigrants, Jewish extremists bombed two police stations in Tel Aviv. Other Jews disobeyed curfew and traffic laws by staging a sit-down strike at the entrances to Jewish settlements to hamper the British search. This led to bloodshed in which both Jews and British were killed and wounded.

Report on Germany

Byron Price, former director of the Office of Censorship, has recently returned from a 10-weeks' trip to Germany. He went as the special representative of President Truman to examine conditions in Germany under the occupying powers.

In his report to the President, Mr. Price is extremely critical of certain features of our policies. Among his recommendations are (1) strong measures to secure the full cooperation of all the occupying powers, especially the French, in carrying out the Potsdam agreement; (2) less haste in carrying out the de-Nazification of German industry and essential services to avoid further handicaps on German economic life; (3) improvements in the American system of censoring the press and radio; (4) care not to weaken military effectiveness through demobilization; (5) prompt trial of German war criminals; (6) simplification of the rules governing American military government.

Allied policy as outlined at Potsdam called for the treatment of Germany



OVERCOMING LANGUAGE BARRIER. At the Nuremberg trial of war criminals a sailor and a soldier operate the control board of the interpreting set-up devised for the purpose of permitting dialing into any of the four languages used at the trial. At right, Senator Claude E. Pepper listens in on a test of the interpreting system. Colonel John H. Amen (left) is chief of the interrogation commission.



also points out how France has obstructed the administration of Germany as an economic unit, and urges that food be sent to the Germans this winter.

School Savings Program

American educators met in Washington with Treasury officials recently to plan a postwar Savings Bond program. This program will be continued in the schools because it is a profitable and convenient way to save, and because it is a desirable way for the government to borrow money to pay war bills.

By the end of the Victory loan, the nation's schools had accounted for well over two billion dollars in war and postwar savings invested in war bonds. Beginning with the school year 1941-42, when they reported bond and stamp sales of \$80,000,000, the schools moved steadily ahead in the War Savings program until the school year 1944-45 saw \$715,000,000 in reported sales. In more than 200,000 schools, students invested in stamps and bonds on weekly stamp days; during war loan drives they turned salesmen, sometimes taking full responsibility for community E-bond quotas.

Latin America

As the February presidential elections approached in Argentina, the political campaign between Colonel Juan Peron's followers and the Democratic United Front increased in violence.

Peron's followers, not identified with any particular party, are made up of various groups of the population, including his well-organized police force, an important share of the army, and a small, but highly organized segment of labor, and certain business interests.

The Democratic United Front, which is opposed to Peron, is composed of the Communist, Socialist, and Progressive Democrat parties. The Front objects to the foreign policy of Peron, who has been notably cool to the United States and friendly to the Axis countries, and to his suspension of civil liberties in Argentina.

Meanwhile, President Truman has announced that the United States gives "unqualified adherence" to Uruguay's proposal of joint intervention on the

part of the American republics when one of them denies essential rights to its people, or fails to fulfill its international obligations. This proposal is directed against Argentina, according to Foreign Minister Alberto Larreta of Uruguay. Venezuela has already indicated her support and the other American nations are giving it serious consideration. In the past the United States has frequently acted alone in such matters, and has consequently received criticism for not formulating a joint policy with the other American nations. The proposal is designed to make the welfare of the Americas the responsibility of all, through collective action.

Nuremberg Trial

The world continues to follow the "greatest trial of modern times" which is being conducted by the International War Crimes Commission in Nuremberg, Germany, where 20 German leaders are on trial for their lives, charged with crimes against humanity. American Prosecutor Robert H. Jackson, aided by scores of detailed German documents and careful advance preparation, has developed the

United States' section of the case, German conspiracy against the peace. Great Britain, Russia, and France will present their cases as the trial develops. German organizations named in the indictment as guilty in mass war crimes include the German cabinet, the Nazi leadership corps, the Elite Guard, the Storm Troops, the Gestapo, the High Command, and the General Staff.

Documents have been introduced at the trial to prove that German war preparations antedated Hitler. This was true in the rebuilding of the German navy under the leadership of Admiral Erich Raeder, who was an expert at hiding his navy-building program. When Hitler came to power, the German government more openly supported the naval program.

The defendants, for the most part, follow the progress of the trial closely. Interpreters relay hasty translations of statements in English, German, and Russian through a microphone-earphone set-up. Each man may wear earphones which connect him with a translator who tells him, in his own language, the gist of what is being said.



Facing Europe

as a single economic unit. It also set up a system of Allied government with provision that any of the occupying countries could veto any action that the powers proposed to take in common. According to Mr. Price, France is determined that Germany should make no future comeback and has prevented any Allied action which would give Germany economic unity, necessary for the revival of German industry and trade. Nor, he claims, have sufficient resources been left in the country to provide for her subsistence without outside help. Germany is facing a winter of serious starvation, disease, and possible disorders. Additional food sent to Germany now would be protection to American occupation troops against disease and disorder, according to Mr. Price.

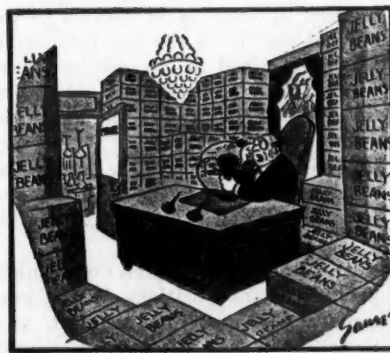
General Eisenhower's report for October on the occupation of Germany

S M I L E S

Bride: Do you sell dry goods here?
Grocer: No, this is a grocery store.
Bride: Oh, I am so sorry. I wanted to buy some dried apples.

★ ★ ★

Teacher: It gives me great pleasure to mark you 85 on your examination.
Pupil: Why not make it 100 and give yourself a real thrill?



"Send in that salesman who was going to make the nation jellybean conscious."

"A senator is supposed to be familiar with all public questions, isn't he?" asked a critic.
"Yes," replied the senator, "but not necessarily the answers."

★ ★ ★

Teacher: Tommy, why is your composition on milk only half a page long when I asked for two pages?
Tommy: Well, you see, I wrote about condensed milk.

★ ★ ★

"I'm glad to meet a man who started at the bottom and worked his way up. Tell me, how did you begin?"
"I was a bootblack, and now I'm a hairdresser."

★ ★ ★

"You look broken up. What's the matter?"
"I wrote home for money for a study lamp."
"So what?"
"They sent the lamp."

★ ★ ★

"I don't like these photographs at all," said the customer when he saw the proofs. "I look like an ape."
"You should have thought of that," remarked the photographer, "before you had them taken."

The Countries of Eastern Europe

BELOW we give brief discussions of some of the conditions prevailing in nine eastern European countries, together with a presentation of the individual problems confronting those countries. For a discussion of the region as a whole, see article beginning on page 1.

Poland. This country, which was the site of the Nazi blitzkrieg which set off World War II, occupies a considerably different geographical position from that she held before the war. Although her boundaries will not be definitely set until final peace terms have been decided, they will probably be similar to those which are now in effect (see map on page 8). The section of her prewar territory which she has lost to Russia on the east is largely compensated for in the areas gained from Germany, which include most of East Prussia, Silesia, and a good part of Pomerania.

These newly acquired areas contain valuable coal and iron mines, and some factories. Considering their natural resources, they more than make up for the economic loss of the predominantly marshland sections of the east, but one important industrial city, Lwow, situated in that area, was sacrificed to the Russians.

Poland and its future constituted one of the main sources of inter-Allied controversy during the war, and the situation which exists there now does not satisfy many Poles whose hostility toward Russia is hardly less intense than was their hatred of the Germans. Although the main support for the present government came originally from Russia, both the United States and Britain have agreed to deal with it.

Premier Edward Osobka-Morawski is the leader of the coalition government, in which the Socialist, Communist, and Peasant parties are repre-



Hungarian peasants

sented. Aside from the Christian Democratic Party, headed by Karol Popiel, the parties of the coalition are the only ones enjoying legal recognition within the country. National elections have not been held since the war.

The leaders of Poland's government have been working closely with Russia, although they have made no attempt to institute a Soviet system as such. They are directing their efforts toward effecting land reforms which will eliminate the huge estates which were held by a small group of wealthy owners before the war. These estates are being divided into small farms among the peasants who do the actual



Czechoslovakia is the most highly advanced industrial country of the eastern European group. The Skoda works at Pilsen, pictured above, were among the leading munitions plants before the war.

work of producing grains, livestock, and other foodstuffs. Improved methods of farming are being introduced and a thoroughgoing program designed to raise the low standard of living existing in many areas before the war is being carried out in the government's approach to agricultural problems. So far, little has been done about the reorganization of industry, and basic decisions as to whether or not there shall be large-scale national ownership in this field have not yet been made.

Czechoslovakia. This nation, created after World War I, appears to be dealing with its postwar problems as successfully as possible, and with less difficulty than most of its neighbors. Having built a strong democracy before World War II, and being possessed of strong leadership which survived the war, Czechoslovakia has a headstart in solving its reconstruction problems.

Elections were held in mid-October and, as was anticipated, Eduard Benes became president of the new government. The prime minister, Zdenek Fierlinger, heads a cabinet made up of representatives of the four leading parties—Communist, Socialist, People's, and Social Democratic. In the elections, party members chose electors who were to select the members of a provisional parliament.

Because of the method of holding the elections, their value as a true index of the people's wishes has been questioned. In the first place, the number of seats to be allotted to the various parties in the new parliament was determined in advance by agreements among party leaders. A second questionable point was the fact that voting was not by secret ballot, but by public affirmation. The outcome of the election was a 72 per cent majority for the Socialists and Communists together.

Thus the Socialists and Communists hold dominant positions in the government. Benes, the president, is a Socialist leader. Klement Gottwald, who returned this year from a six-year exile in Moscow, represents the Communists in the cabinet. Prime Minister Fierlinger, former ambassador to Moscow, is a Social Democrat, and Monsignor Jan Sramek, once pre-

mier of Czechoslovakia, represents the People's Party in his post as deputy premier.

The program of socialization now being inaugurated in Czechoslovakia is the most sweeping to be undertaken by any European country save Russia. President Benes announced its guiding principle in these words:

"We are giving property to the propertyless. Others who have too many possessions are being scaled down. Everyone, however, will not be on the same level. Instead, the middle class will be a broad band within which there will be plenty of room for private enterprise and initiative alongside state control and socialism."

Within the framework of this idea, the Czech government is nationalizing mines, public utilities, foundries, chemical and arms plants, and all porcelain and glass works. Most business organizations with more than 500 workers fall within the categories marked for nationalization, which, as plans now stand, will ultimately embrace 70 per cent of the country's economic life.

Nonnational forms of socialization are also being encouraged. Cooperatives, guilds, and trade unions are taking over many enterprises which were formerly owned by individuals. The problem of compensation to former owners of property to be socialized is less formidable here than in such countries as France, for the Czech government has ruthlessly exiled its Hungarian and German minorities and seized their property without payment. Former collaborationists, of whatever nationality, are also being deprived of their property without compensation. Other property owners are receiving limited compensation.

The Czech program places small emphasis upon land reform. Major inequalities in the distribution of farmland were corrected after the First World War. No attempt is being made to nationalize or collectivize the farms of Czechoslovakia and what reforms are now being undertaken are in the form of establishing cooperatives and small individual farms. The Czechs are fortunate in their possession of the resources needed for a strong industrial economy, as well as in their ability to supply themselves with ade-

quate food once they return to a peacetime footing.

Austria. This nation, whose history has been influenced greatly by its relations with Germany, became a part of that country in 1938. The Austrian people today insist that they did so under force and not by choice and the provisions of the Moscow declaration indicated an Allied acceptance of Austria as a Nazi-conquered country. However, Austria has suffered severely, not only during the war, but as a result of what many critics feel was an unwise Allied decision to divide the country into four separate parts occupied by the French, British, Russians, and Americans.

Austria had its economic problems even before the war. The very nature of the country presents difficulties. The city of Vienna alone contains one-fourth of the people of Austria. The country has too little agriculture in proportion to its industries. Consequently trade is an essential part of its economy. Austria must have markets for its industrial products in order to secure money with which to buy food from outside sources. The present division of the country into separate zones with no integration of economy and artificial barriers to trade between the zones has held back what trade might have been carried on between the different sections. Every phase of the Austrian economy has suffered as a result. The poor distribution of what food and fuel are to be had is said to be a direct result of occupation policies.

Austria's recent national elections gave a clear majority to the moderate People's Party, headed by Leopold Figl, who will probably become the next chancellor, stepping up from his post as vice-chancellor under the provisional government headed by Karl Renner. The new parliament will be ready to elect a president by December 19, and it is expected that Dr. Renner will be its choice. The Socialists, who took second place in the balloting, and the Communists, who came in a poor third, will make up a new coalition government.

Moderate policies, with little attempt to institute a truly socialist system, may be expected of this regime. The People's Party, which is a predomi-

nantly Catholic political group, advocates only such national control as is necessary to keep the one-sided economy of Austria together. Until a different policy is instituted by the Allied Control Council, allowing Austria to carry on normal trade relations within the borders of the country at least, little integration of the country's economic life is expected.

Many American military and political leaders, including General Mark W. Clark, commander of the United States occupation troops, are sympathetic with Austria's plight and are working to remove the restrictions which have been imposed upon her. General Clark is trying to remove the trade and travel barriers between zones and to reduce the number of occupation forces of the four powers.

Hungary. The Communist Party in Hungary, although not the strongest, is by all odds the richest and best organized. In spite of this, and the further fact that Hungary is Russian-occupied territory, the recent election, which was apparently a free and honest one, resulted in defeat for the Communists. Five parties—the Small Holders Party, the Social Democrats, the National Party, the Peasants Party, and the Communists—will now form a moderate coalition under the leadership of Premier Zoltan Tildy, once a Protestant pastor.

The Hungarians are very realistic in their appraisal of their position in relationship to Russia. The real strong man in Hungary is still Marshal Voroshilov, head of the Allied Control Commission, who, as a Russian, closely supervises the Hungarian government to see that it remains friendly toward Russia. Recently he secured an agreement which gives the Soviet Union half of the output of Hungary's industries for five years. Both the United States and Britain have protested against this action, but they have not made clear their position and interest in the area. The people of Hungary would like to see some agreement among the Allies with regard to their future, because they do not want to have to be dependent solely upon any one of the great powers.

So far, the Hungarian government

has been concerned chiefly with the need for effecting land reforms. Hungary has long been known for its great estates, which included almost all of the country's productive farmland. These great farms are now being broken up and distributed among the peasants as small individual holdings. Although today Hungary is not producing nearly enough food for her people, she will be able to once seeds and implements are available and improved methods of agriculture are adopted.

Romania. This country, situated as it is on Russia's border, is much more strongly influenced by Russian interests than are such countries as Austria and Czechoslovakia. Truly free elections have not yet been held, and the government of the country is dominated by a Communist-led coalition under Premier Peter Groza, who completely overshadows 24-year-old King Michael. Although two parties, the National Liberals and the Peasant Party, oppose the coalition's Communist leadership, there is little independent political activity.

As the Groza government moves to rehabilitate the economic life of Romania, Russian influence is clearly in evidence. The Groza government has agreed to a treaty which gives Russia complete control over Romanian petroleum (the largest oil deposits in Europe) and refineries. In justifying his action, Groza points to the fact that before the war other foreign nations (mainly Britain) controlled these wells and refineries.

Except for petroleum resources, Romania has little industry, and most of the people are poor farmers. Modernized methods of farming, with a greater variety of crops, would vastly improve the agricultural situation. The failure of this year's harvest has placed the country in a position of real dependence on Russia for its food supply. As a writer in the magazine *Current History* has put it, the economic collaboration between the Soviet Union and Romania is "so close in fact that it makes the latter practically a part of the Soviet economy."

Bulgaria. The Bulgarian people are related to the Russians in race, language, and culture, which partially



WARSAW, 1939. Poland, which suffered as great destruction as any of the victims of Nazi aggression, faces serious problems of reconstruction today. As the scene above shows, the Nazis destroyed everything in their path of conquest.

accounts for the fact that the two countries have maintained friendly relations for many years. In addition, the geographical proximity of the two makes it advisable, in the eyes of most Bulgarians, for the smaller nation to conduct its affairs in a manner which will satisfy its powerful neighbor.

Bulgaria held national elections recently, in spite of the fact that the United States had expressed its disapproval and refused to deal with the government which resulted. The Bulgarians returned to power the Fatherland Front, which had governed the country since the Germans were driven out by the Red Army. The Fatherland Front, headed by Premier Kimon Georgieff, is Communist dominated, although it includes representatives of other parties.

Social Democrats, Democrats, Radicals, and Agrarians offer token opposition to the Fatherland Front, but are not permitted to alter its policies according to their own wishes. Like the government of Romania, the Bulgarian regime depends heavily upon its collaboration with the Russians and will probably sponsor a program of nationalization and intensive land reform. About four-fifths of the people are peasants. Although the land is fertile it has been poorly used. The economy suffers from a lack of industrial development.

Yugoslavia. Although Yugoslavia has technically fulfilled the demands of the western Allies by holding elections, it is generally conceded that these elections gave the people little opportunity to express their real feelings. The National Front, led by Communist Marshal Tito, completely dominated the pre-election period, with the Communist secret police controlling all preparations for the balloting.

In protest against the oppressive nature of the government's control, the few opposition groups existing in the country boycotted the election, refusing to enter candidates of their own. As a result, the National Front won what appeared to be an overwhelming victory with 90.5 per cent of the votes cast endorsing it.

In Yugoslavia, as in Romania and Bulgaria, it is expected that extensive nationalization and land reform will be undertaken.

One of the first steps taken by the Constituent Assembly which was recently elected was to oust King Peter II and proclaim Yugoslavia a republic.

Peter, an exile since the invasion of his country by the Germans in the spring of 1941, has long been a source of controversy and Tito's hostility toward his restoration has long been recognized. In proclaiming the "Federal People's Republic of Yugoslavia," the Assembly bitterly denounced the "national oppression, as well as brutal social reaction brought about by reactionary circles headed by the monarchy."

Greece. Although Russia is known to be concerned about the future of Greece, Britain is the outside nation which dominates Greek political affairs. Because of her geographical position in the Mediterranean area, Greece is of the utmost importance to the British Empire.

Britain has objected to any political activity in Greece which might jeopardize the position of the conservative element or lead to the removal of King George II. When opposition to the king and other former leaders led to a mass uprising, the British used armed force to subdue it. Recently a new cabinet was formed which includes most Greek political groups, excepting only Communists and royalists. The 86-year-old Liberal leader, Themistokles Sophoulis, announced that elections would be held by next March but the return of King George would not be considered until 1948.

If Greece succeeds in ironing out her political difficulties, she will still be faced by trying economic problems. Wartime privations have added to the misery and suffering of her people who have a hard time making a living from the barren and mountainous land.

Albania. This primitive country, lying between Greece and Yugoslavia, is only slightly larger than our state of Vermont, and only about 10 per cent of it is cultivated. There are 1,150 people to be supported by the food produced in each square mile of cultivated land. Foreign capital must be brought in to develop animal husbandry, utilize mineral resources, and develop industry, and the country must be able to live in peace with its neighbors if the extreme poverty which now exists is to be overcome.

The present government has come to power in the shadow of the Yugoslav regime of Marshal Tito. Its cabinet, led by Premier Enver Hoxha, is Communist dominated, and depends on the support of its larger neighbor to the north.



GREEK TRAGEDY. Funeral procession in Athens which took place after disturbances last winter. Greece, like most of the countries of eastern Europe, is still struggling toward political stability.

Suggested Study Guide for Students

Military Merger

1. Give the main features of the organization of the Army and Navy in peacetime.

2. What steps were taken to bring about closer cooperation between these two services during the war?

3. Briefly describe the general plans which are being proposed for merging the Army and Navy.

4. What military group is supporting the merger idea, and what group is opposing it?

5. Give some of the leading arguments in favor of this plan.

6. What position is taken by its critics?

Discussion

What do you feel is the strongest point made by those who favor the Army-Navy merger plan?

What do you think is the strongest point made on the other side of the question?

On the basis of your present information, do you believe that our military forces would be more efficiently conducted under the present system or under a single department of defense? Or do you think that it would not make much difference one way or another?

Reading

"Merger Now?" *Time*, November 5.

"Organization of Armed Forces as Proposed by War Department," *United States News*, November 9.

"Services War Unity Flies Apart Under Shock of Atom Bomb," *Newsweek*, November 5.

"Back of Army-Navy Friction: Rival Plans for Joint Defense," *United States News*, November 23, 1945.

"Should we have a single department for our Armed Forces?" *Town Meeting Bulletin*, November 15, 1945, published by Town Hall, 123 West 43 Street, New York 18, N. Y., 10 cents.

Eastern Europe

1. Can you name the nine countries which are loosely termed as eastern Europe? Which of these are Balkan nations?

2. Compare the area and population of this region with the area and population of the United States.

3. What educational reforms are needed in eastern Europe?

4. What are some of the plans which are widely supported for improving the living conditions of the great numbers of poverty-stricken farm families?

5. To what extent is eastern Europe industrialized? Why must there be more industries if the people are to live well?

6. Why haven't these countries traded more freely with one another?

7. What are the main points at issue among the major powers over this region?

8. How might Russia's policies toward these countries be helpful? What is the nature of her present policies in this area?

Discussion

Do you believe that Russia has a right to insist upon governments in eastern Europe which are "friendly" to her?

Some observers say that if all these nations would voluntarily follow the friendly policy toward Russia that Czechoslovakia has, the Russians would not interfere in their affairs



The only new boundaries shown on this map of eastern and southern Europe are those of Poland and her immediate neighbors. Other changes are not shown, because information is incomplete or final decisions have not been made. We regret that the word Lublin (city in Poland) is misspelled on this map.

so much and would not try to force communism on them. What do you think about this?

If, as time goes on, it appears that Russia is determined to spread her control and system throughout eastern Europe, what do you feel that we should do about it, if anything?

References

"Revolution by Law?" *Time*, October 22.

"New Order in Bulgaria," by R. H. Markham, *Christian Century*, August 15.

"Greece, the Balkans and the Great Powers," by L. S. Stavrianos and N. W. Hadsel, *Foreign Policy Reports*, September 1.

"Ordeal of Yugoslavia," by S. P. Brower, *American Mercury*, November.

"Balkan States at London," by C. E. Braun, *Current History*, November.

"Russia's Blunder in Eastern Europe," by E. K. Lindley, *Newsweek*, November 5.

Miscellaneous

1. What action has recently been taken on food subsidies?

2. How are the language difficulties overcome at the Nuremberg trial?

3. Who is Walter Reuther?

4. What reason did Patrick J. Hurley give for his resignation as United States ambassador to China? Who has been named to replace him?

5. What were some of the criticisms of our occupation policy in Germany made by Byron Price?

Something to Think About

According to the *New York Times*, many American Army officers of high rank are troubled about the course that the Nuremberg trial of the Nazis is taking. They ask whether or not we are setting a wise precedent in declaring that German officers are criminals and subject to the death penalty because of their membership in the German general staff.

These American officers say that a person should be convicted of a crime if he actually commits a crime against international law, but that being a high-ranking officer in an army of a nation which goes to war, even though it is an aggressive war, should not of itself be regarded as a crime.

The question is asked what the effect of this precedent would be upon American officers if sometime we should go to war and lose. Would our military leaders then be subject to trial and execution because they were high-ranking officers in our Army? The argument is that if we set

the precedent of putting to death men who were prominent in the German government or Army, that precedent will be followed in future wars, and in case a nation loses a war, the heads of state and of military forces will be subject to trial and execution.

On the other side it is argued that the Germans committed a crime against civilization by going to war, and that if the leaders of the government and of the military forces are tried and executed, the leaders of any government will think twice before starting and carrying on a war.

Probably a majority of the American people believe that the German civil and military leaders should be tried and executed, but there is a definite difference of opinion on this issue, and the question is one which deserves serious consideration.

Pronunciations

Azerbaijan—ah-zer-bi-jahn'—i as in ice
 Benes—beh'nesh
 Fierlinger—feer'ling-er
 Figl—fee'gl
 Georgieff—jor'jiff
 Gottwald—goet'vahlt
 Groza—groe'tsah
 Lwow—lvoo'
 Osobka-Morawski—oe-soob'kah moh-rahf'skee
 Popiel—poe'pyel
 Sramek—sir'mek
 Teheran—teh-rah'n'
 Voroshilov—voo-roe-shee'loff